



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
 Statute
 Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

HB 2599, Low-Income, Disconnect

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 3930 Fairview Industrial Drive SE, Salem, OR 97302.



Avista Corp.

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

VIA: Electronic Filing

October 30, 2015

Public Utility Commission of Oregon
Filing Center
201 High St SE Suite 100
PO Box 1088
Salem, OR 97308

Attention: Filing Center

RE: Avista House Bill 2599 Report

Avista Corporation, dba Avista Utilities (“Avista” or “Company”), submits this report in compliance with House Bill 2599, which was signed into law by Governor Brown on June 11, 2015. House Bill 2599 directed regulated utilities to file a report with the Oregon Public Utilities Commission (PUC) no later than November 1, 2015. As documented in the bill the report must include the following information:

(2) Each utility that provides electric or natural gas service to residential customers shall prepare a report on the utility's processes that mitigate, for nonpayment of a delinquent account, the termination of electric or natural gas service to a residential customer belonging to a protected class if the termination would occur: (a) During the heating season; (b) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will exceed 100 degrees Fahrenheit for a period of 12 or more hours; or (c) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will be less than 32 degrees Fahrenheit for a period of 12 or more hours.

Avista utilizes several tools to work with its customer to mitigate termination for any reason. It is not the Company's goal to ever terminate, but instead work with its customers on solutions that meet the needs of the customer and the business. Unfortunately, not all solutions come to fruition and some customers do find themselves in a position when they are facing termination of service. To prevent this, the following information details the Company's processes to mitigate termination.

Avista offers customers a variety of payment extension options when a customer is facing termination of natural gas service or for nonpayment of a delinquent account, including short term and long term payment arrangements, Comfort Level Billing, leveled payment plans, preferred pay days, and automatic payment services. A further explanation of each of these payment options is as follows:

- Short-term payment arrangement – allows a customer a short-term extension of their account balance to avoid termination of service. These arrangements require the customer to pay their full account balance prior to their next bill's due date.
- Long-term payment arrangement – allows a customer a long-term arrangement to pay their outstanding balance by dividing their current outstanding balance and adding the installments to future bills.
- Comfort Level Billing (Equal Pay Plan) – levels out seasonal highs and lows of a customer's bill by dividing the yearly energy usage use into equal monthly payments.
- Levelized payment plans – requires the customer to pay a down payment equal to the average annual bill including the current account balance, divided by 12, and a like payment each month for 11 months thereafter.
- Preferred pay date – provides the ability for a customer to choose a fixed due date each month that coincides with their payday or other income they receive.
- Automatic Payment Service – allows a customer to sign up for payments to be automatically withdrawn from their checking or savings account on the due date each month.

Customers are encouraged to contact Avista as soon as they face hardship to allow the Company flexibility in assisting with payment options and in referring the customer to additional resources such as energy assistance through Community Action Agencies (Agencies). In addition to the federal Low Income Home Energy Assistance Program (LIHEAP) grants that the Agencies administer, Avista also has a Low Income Rate Assistance Program (LIRAP) that the Agencies administer as well. LIRAP funds are available to assist customers in both emergency situations or with a grant based on income if they are eligible.

Customers with extreme hardship or medical situations can also be referred to the Company's Customer Assistance Referral and Evaluation Services (CARES) department who may be able to provide additional assistance or referrals. The CARES department is responsible for educating customer on the use of Emergency Medical Certificates (EMC). During all times of the year, the Company will not disconnect service if a customer submits certification from a qualified medical professional stating that disconnection would significantly endanger the physical health of the customer or a member of the customer's household. A customer may provide oral certification of a medical situation, but it must be confirmed in writing within 14 days by the qualified medical professional prescribing medical care. An EMC will be valid only for the length of time the health endangerment is certified to exist, but no longer than six months unless renewed for an addition six months, for a maximum 12 months in total.

Because the Company only provides natural gas service in the state of Oregon it does not have a specific moratorium policy based on weather conditions. Natural gas is primarily used for heating purposes so extreme heat is generally not an issue for customer receiving natural gas service. Because natural gas is used as a primary heating source, the Company does monitor weather conditions on a daily basis, especially during the winter heating season. Prior to performing any disconnections of service, the Company considers conditions such as temperature, amount of precipitation, and weather trends. If the weather conditions warrant that disconnections will result in hardship to its customers, disconnections will be suspended for the day or period of time the conditions are expected to exist.

In addition to the reporting requirements included in House Bill 2599, Commission Staff also asked that the utilities include additional detailed information on disconnections and delinquent accounts. Avista's responses to Staff's request are as follows:

1. Monthly breakdown for calendar years 2013, 2014 and YTD 2015 of the number of disconnections for:

- A. Non-payment of a delinquent bill

Response: Avista converted to a new Customer Information System in February 2015. As a result, no collection disconnections occurred during the months of February through May 2015. The table below displays number of disconnections due to non-payment of a delinquent bill by year for customers that received LIHEAP and for those that did not receive LIHEAP. The LIHEAP counts include customers who received LIHEAP during the calendar year being reported on.

	2013			2014			2015		
	LIHEAP	Non-LIHEAP	Total	LIHEAP	Non-LIHEAP	Total	LIHEAP	Non-LIHEAP	Total
Jan	24	320	344	49	418	467	17	320	337
Feb	23	406	429	28	439	467	-	-	0
Mar	29	515	544	36	470	506	-	-	0
Apr	35	546	581	31	539	570	-	-	0
May	35	533	568	42	491	533	-	-	0
Jun	37	453	490	42	406	448	27	357	384
Jul	34	385	419	52	542	594	13	298	311
Aug	27	333	360	29	321	350	10	295	305
Sept	14	201	215	8	209	217	17	231	248
Oct	26	257	283	26	214	240			0
Nov	15	169	184	18	165	183			0
Dec	14	193	207	13	189	202			0
Total	313	4311	4624	374	4403	4777	84	1501	1585

B. Non-payment of a deposit or deposit installment

Response: Avista converted to a new Customer Information System in February 2015. As a result, no collection disconnections occurred during the months of February through May 2015. The table below displays number of disconnections due to non-payment of a deposit or deposit installment by year for customers that received LIHEAP and for those that did not receive LIHEAP. The LIHEAP counts include customers who received LIHEAP during the calendar year being reported on.

	2013			2014			2015		
	LIHEAP	Non-LIHEAP	Total	LIHEAP	Non-LIHEAP	Total	LIHEAP	Non-LIHEAP	Total
Jan	1	8	9	-	5	5		13	13
Feb	-	3	3	-	9	9	-	-	0
Mar	-	5	5	-	6	6	-	-	0
Apr	1	8	9	-	7	7	-	-	0
May	-	10	10	-	7	7	-	-	0
Jun	-	7	7	1	10	11	1	22	23
Jul	1	2	3	-	10	10	-	27	27
Aug	-	5	5	1	4	5	1	15	16
Sept	-	5	5	-	5	5	1	13	14
Oct	-	8	8	3	14	17			0
Nov	-	6	6	-	5	5			0
Dec	-	4	4	-	5	5			0
Total	3	71	74	5	87	92	3	90	93

C. Failure to abide by terms of a TPA

Response: Avista converted to a new Customer Information System in February 2015. As a result, no collection disconnections occurred during the months of February through May 2015. The table below displays number of disconnections due to non-payment for failure to abide by a time payment arrangement for customers that received LIHEAP and for those that did not receive LIHEAP. The LIHEAP counts include customers who received LIHEAP during the calendar year being reported on.

Avista’s policy for disconnecting customers who have broken short term payment arrangements changed with the conversion to the Company’s new Customer Information System. If a customer breaks a payment arrangement while they are in the collection cycle and before they are eligible for disconnection of service, the collection process is restarted with the customer being sent a new past due notice. If a customer breaks a payment arrangement set while they are eligible for disconnection, Avista may continue to move forward with the disconnection. Due to the change in disconnection policy as a result of the new Customer Information System and availability of historical data, the Company has only provided data for 2015.

	2015		
	LIHEAP	Non-LIHEAP	Total
Jan	-	-	0
Feb	-	-	0
Mar	-	-	0
Apr	-	-	0
May	-	-	0
Jun	-	4	4
Jul	-	5	5
Aug	-	2	2
Sept	3	8	11
Oct			0
Nov			0
Dec			0
Total	3	19	22

2. If possible, this information should be further broken down by group to include:

A. LIHEAP/OEAP recipients

Response: Please see data provided in response 1A, 1B, and 1C above.

B. Emergency Medical Certificate holders

Response: Avista does not retain information or have the ability to report on historical Emergency Medical Certificate holders, thus we are unable to provide the data requested.

C. Other customers who are not LIHEAP/OEAP recipients

Response: Please see data provided in response 1A, 1B, and 1C above.

And if the data is available, by:

D. Household income

Response: Avista does not have information on household income, thus we are unable to provide the data requested.

E. Senior status

Response: Avista does not have information on senior status, thus we are unable to provide the data requested.

3. The report should also show (by month) the number of customer's 60-days in arrears and total dollars 60-days in arrears.

Response: Avista converted to a new Customer Information System in February 2015. Due to the limitations and complexities of conversion, all outstanding balances were converted as current charges. Thus, balances did not reach 60 days arrears until the end of March 2015.

	2013		2014		2015	
	Total Balance 60+ Days in Arrears	# of Customers 60+ Days in Arrears	Total Balance 60+ Days in Arrears	# of Customers 60+ Days in Arrears	Total Balance 60+ Days in Arrears	# of Customers 60+ Days in Arrears
Jan	\$ 298,243.70	5,812	\$ 337,557.65	6,003	\$ 298,649.44	5,711
Feb	\$ 366,423.57	5,503	\$ 478,985.25	6,681	\$ -	-
Mar	\$ 589,376.73	7,646	\$ 794,555.46	9,447	\$ 826,970.06	7,146
Apr	\$ 917,207.83	10,194	\$1,036,676.10	11,267	\$1,053,354.13	7,681
May	\$ 1,113,290.83	11,824	\$1,109,238.65	12,126	\$1,272,920.30	8,738
Jun	\$ 987,008.25	11,142	\$1,096,514.64	12,351	\$ 1,321,577.57	9,162
Jul	\$ 887,182.77	11,446	\$ 998,812.58	12,493	\$1,344,350.67	9,440
Aug	\$ 622,209.00	9,951	\$ 633,278.31	10,039	\$1,041,331.12	8,414
Sept	\$ 419,919.48	8,326	\$ 470,366.05	9,236	\$ 764,531.90	7,309
Oct	\$ 340,578.31	8,340	\$ 400,911.62	9,445		
Nov	\$ 212,235.53	5,383	\$ 236,221.18	5,807		
Dec	\$ 259,879.19	5,975	\$ 286,970.80	6,634		

If you have any questions regarding this filing, please contact me at (509) 495-2782.

Sincerely,

/s/Shawn Bonfield

Regulatory Policy Analyst
 Avista Utilities
shawn.bonfield@avistacorp.com
 509-495-2782